

OCT 12 1978

STATE OIL AND GAS BOARD
Clyde R. Davis, State Oil & Gas Supervisor

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

RE: PETITION OF TEXAS PACIFIC OIL
COMPANY, INC. FOR THE ADOPTION
OF SPECIAL FIELD RULES FOR THE
GLUCKSTADT FIELD, MADISON COUNTY,
MISSISSIPPI.

DOCKET NO. 266-78-444

ORDER NO. 366-78O R D E R

THIS DAY this matter came on for hearing before the State Oil and Gas Board on the Petition of Texas Pacific Oil Company, Inc. for the adoption of Special Field Rules for the Gluckstadt Field, Madison County, Mississippi, such hearing being called for such purpose; and

The Board finding that due, proper and legal notice of the meeting of the Board for the purpose of considering and taking action with respect to such matter was given in the manner and way provided by law and the rules and regulations of the Board and that due, legal and sufficient proofs of publication are on file with the Board and that the Board has full jurisdiction of the subject matter to hear and determine same; and

WHEREAS, pursuant to said notice given public hearing was held by said Board in the Second Floor Auditorium of the Woolfolk State Office Building, North West Street, Jackson, Mississippi, commencing on September 20, 1978, at which hearing all persons present who desired to be heard on said matter were heard and all testimony and evidence were duly considered by those present at said meeting; and

WHEREAS, the Board has fully considered said matter and the evidence and recommendations made in said hearing and finds as follows:

1. Texas Pacific Oil Company, Inc. drilled in 1966 its No. 1 Yandell Well in the W 1/2 NW 1/4, Section 36, Township 8 North, Range 2 East, Madison County, Mississippi. Said well encountered a CO₂ gas pool in the Norphlet Formation. Said well has been shut in since discovery for lack of a market for CO₂. A contract has now been made to sell CO₂ to a company who will process it for commercial use. If the market for CO₂ can be further developed, additional wells can be drilled in the area. Texas Pacific Oil Company, Inc. requests the adoption of Special Field Rules defining the Norphlet CO₂ Gas Pool and prescribing 880-acre spacing for the development and production of said pool.

2. The adoption of said Special Field Rules will aid the orderly development of said field, protect the equal and correlative rights of all owners and prevent waste.

IT IS, THEREFORE, ORDERED AND ADJUDGED that the following rules be hereby adopted, to wit:

SPECIAL FIELD RULES
FOR THE GLUCKSTADT FIELD,
MADISON COUNTY, MISSISSIPPI

A. The Gluckstadt Field, as used herein, is that area consisting of the following described land, to wit:

The SE 1/4 of Section 26, entire Section 35, the W 1/2 of Section 36, in Township 8 North, Range 2 East; the NW 1/4 of Section 1, the E 1/2 and the NW 1/4 of Section 2, in Township 7 North, Range 2 East, all in Madison County, Mississippi, underlain by the CO₂ Gas Pool hereinafter defined, and all productive extensions thereof.

B. The Norphlet CO₂ Gas Pool shall be construed to mean those strata productive of gas in the interval between the depths of 15,800 feet and 16,801 feet as indicated on the electric log of the Texas Pacific Oil Company, Inc. No. 1 Yandell Well located in the W 1/2 of the NW 1/4 of Section 36, Township 8 North, Range 2 East,

Madison County, Mississippi, and all correlative intervals in communication therewith.

- C. The characteristics of the CO₂ Gas Pool herein defined in said field are such that gas wells located and drilled upon drilling units containing approximately 880 acres each conforming to the requirements of the spacing rules herein prescribed will efficiently drain and produce the recoverable CO₂ gas in said pool without avoidable waste.

RULE 1 - SPACING OF GAS WELLS:

With respect to the Norphlet CO₂ Gas Pool, every gas well:

(1) Shall be located on a drilling unit consisting of 880 contiguous surface acres, or subdivisions of governmental sections containing a total of not less than 825 acres or more than 925 acres, upon which no other drilling or producible well is located.

(2) A gas drilling unit must be completely encompassed by the perimeter of a rectangle 6,700 feet by 8,250 feet; provided, however, no unit shall be permitted which will create island acreage;

(3) The well shall be located at least 2,400 feet from every other drilling or producible well located in conformity with this rule; and

(4) The well shall be located not less than 1,200 feet from every exterior boundary of the unit.

RULE 2 - APPLICABILITY OF STATEWIDE RULES:

- A. All rules and regulations contained in the Statewide Order No. 201-51, and any amendments thereto, not specifically covered in the foregoing Special Field Rules are hereby adopted and shall apply to said field.

B. The Board expressly reserves the right, after notice and hearing, to alter, amend or repeal any and all of the foregoing rules and regulations.

ORDERED AND ADJUDGED, this the 20th day of September, 1978.

MISSISSIPPI STATE OIL AND GAS BOARD

BY: Joe R. Funch, Jr.
C H A I R M A N